28 FEB 1964

MEMORANDUM FOR: Deputy Director for Support

SUBJECT:

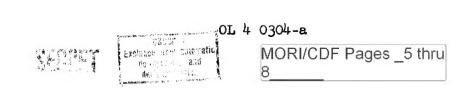
Logistics Economy Measures

REFERENCES:

(a) Memorandum dated 15 January 1964 for the Executive Director-Comptroller from the Deputy Director for Support, same subject as above (DD/S 64-0217)

(b) Memorandum dated 31 January 1964 for the Deputy Director for Support from the Special Planning Assistant to the DD/S, subject: Bureau of the Budget Circular No. A-22 (DD/S 64-0629)

- 1. This memorandum is for information only and reports progress on those actions assigned to my office in reference (a).
- 2. The comments below have the same number as corresponding paragraphs in reference (a):
 - 2. We are increasing emphasis on the use of economic order quantity as a means of reducing inventory and promoting a more efficient procurement and property management program. Our accelerated use of electronic data processing will enhance management by exception and highlight problem areas.
 - 3. The Transportation Division has made significant progress in the review of vehicle management. Action on this request will be combined with the response to paragraph 6.b., reference (b). My estimated target date is 16 March 1964 for forwarding to you a proposed plan for Agency-wide vehicle utilization.
 - 4. On 26 February 1964, I forwarded a study to you examining the possibility of reducing Agency building maintenance standards to the General Services Administration level. The study recommends that current Agency standards be maintained.



SUBJECT: Logistics Economy Measures

- 5. My memorandum to you dated 17 February 1964, reviewing the use of Department of Defense-sponsored passenger transportation, presents my recommendations on this area of potential cost reductions.
- 6. My memorandum to you dated 11 February 1964 specifying the assignment of contract negotiators to Agency technical components completes action on this item.

7. Of the eight real estate projects which we proposed for deferral or elimination, one (recreation building at
will be completed as planned; six are still
under discussion. One has resulted in a reduction in cost
(the expansion of the powerhouse has been abandoned
I will keep you advised on the disposition of the
six projects still under study by the pertinent Agency components.

Director of Logistics

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	FROM:]				STAT
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☆ GPO:1957---O-439445

(47)

FORM NO . 241

REPLACES FORM 36-8 WHICH MAY BE USED.

2	OUTIN	G AND	RECOR	D SHEET
SUBJECT: (Optional)				
GSA Maintenance Sta	ndards			
FROM:				NO.
				DATE
Director of Logisti	26 FEB 1964			
TO: (Officer designation, room number, and building)	DATE		OFFICER'S	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		o whom: Draw o line decay colonia area each comment.
Deputy Director for Support				APPROVAL
2.				
	_ 4			<u>TO 1</u> :
3.				1. The attached study
Chief, Logistics Services Division, OL				examines the possibility of lowering Agency building
4.				maintenance standards as an
				economy measure. (Reference paragraph 4 of your memorandum
5.				to the Executive Director-
				Comptroller dated 15 January 1964, subject: Logistics
6.			 	Economy Measures, DD/S 64-
				0217.)
7.				2. Your approval of the
				recommendations contained in
8.				paragraphs 15 and 16 of the 25 study is requested.
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PROBLEM

Determine whether it would be advisable to lower certain Agency maintenance requirements thereby avoiding recurring reimbursements being made to the General Services Administration (GSA).

ASSUMPTIONS

- 1. Maintenance and service standards now being met by GSA personnel in the Headquarters building will not be raised before fiscal year 1966 (see Attachment).
- 2. If the Agency requests special attention to certain areas of maintenance or service, GSA will contract for the work if reimbursement by the Agency is assured.
- Offices now receiving special cleaning services would strenuously object or refuse to accept a discontinuation of those services.

FACTS BEARING ON THE PROBLEM

4. For more than five years the Medical Staff has had the fulltime char services of a GSA employee. This employee reports
for work two hours in advance of Medical Staff employees in
order to change linen, make beds, sweep, mop and ready consultation rooms. Throughout the day she acts as a nursing aid in
all respects except for patient contact and is responsive to
immediate needs for assistance from clinicians, nurses and
doctors. The Medical Staff formally requested this service
which was approved on a reimbursable basis. Cost to the Agency
is approximately \$10,800 annually and reimbursement is effected
quarterly by means of work orders submitted to the Headquarters
Building Manager by the Logistics Services Division, OL.



- 5. From time to time special requirements for char service are levied on the Logistics Services Division. They consist of requests for rug shampooing, special waxing outside the Building Manager's cyclic schedule, window washing and furniture polishing. These unavoidable requests usually come from the offices of senior Agency officials. It has been the practice to budget approximately \$5,000 for such special and unanticipated requirements.
- 6. Since March 1963, special after-hours and Saturday cleaning have been done in Room 6Bl2 for the Office of Special Activities (OSA) and in Room 1B27 for the Office of Communications Signal Center. Four staff employees with SI clearances perform this overtime work of four hours on Monday, Wednesday and Friday in the Signal Center and four hours on Saturday for the Office of Special Activities. A total of 64 hours of overtime is used each week on this work.
- 7. Both of the subject areas are in operation 24 hours daily, every day of the year. When GSA personnel cleaned these areas it was necessary to close down operations partially and to escort the GSA char personnel. Complaints were received from both areas regarding poor cleaning performance and the Signal Center was particularly emphatic because of the large quantities of fine paper lint generated by perforators. This lint constituted a hazard to the equipment in the area.
- 8. On appeal for improved service from both elements concerned, the decision was made to use Logistics Services Division staff labor personnel with SI clearances. Exclusive of the initial and replacement costs of mops, brooms, buckets and buffing equipment, this service is costing approximately \$10,000 per year. The Office of Special Activities is reimbursing the Logistics Services Division for approximately one-fourth of this amount by means of adjustment vouchers on charges for detailed personnel.

DISCUSSION

9. Precedent of long standing exists in justification of the special char service being furnished the Medical Staff. Since its need was justified and approved, it became the responsibility of the Office of Logistics, as the Agency's designated liaison channel and point of contact with GSA, to provide and budget for the service. It would be possible for nurses and technicians to perform these char duties, but a loss of time from their primary

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duties would result. No particular gain can be seen in hiring staff employees for this work, and the assignment of on-board staff employees on an overtime basis would not satisfy the need for continuously available char service during the day.

- 10. Unpredictable and periodic requests for special char service will continue to be generated. Justifications that will be furnished by the requesters will, in most instances, be irrefutable. It appears prudent to anticipate satisfying most of these requirements, and to do so will require an availability of funds budgeted and made available for just such purposes. An effort to save in this area of special services would be to take the position that the services cannot be justified in the first place and this is not so. The availability of such funds can be denied, but if this is done the consequences should be anticipated.
- 11. Parallel requirements generated the need for the special cleaning being done for the Signal Center and the Office of Special Activities, i.e., (a) special security considerations because of around-the-clock operations and sensitivity of exposed or displayed material, and (b) an operational need for above-standard char service in order to provide greater assurance for the operation of delicate, electronically operated equipment. Alternatives available to meet this special situation existed in (a) continuing GSA's less-thansatisfactory service and the necessity to close down operations (at least partially) in the presence of char personnel, (b) requiring operating personnel to perform their own special cleaning needs, or (c) resorting to an expedient though costly solution to using security-cleared labor personnel on an overtime basis. It was felt that best judgment was exercised in selecting the last of these alternatives.

CONCLUSIONS

12. No real economy would be effected in the Medical Staff's area by eliminating the reimbursable char service being furnished, thereby requiring skilled or professional personnel to perform such duties. It is believed this service should continue as it is being furnished and that the Logistics Services Division should budget for the funds and prepare the work orders essential to its continuation.

- 13. The special cleaning being done by staff employees in the Signal Center and OSA's Operations Room is being performed as an expensive and expedient measure, and that it should continue only until such time as a firm policy decision can be obtained regarding the budgeting and staffing responsibility necessary for a firm and continuing provision of service.
- 14. Finally, it would be inadvisable to lower these Agency maintenance requirements in order to avoid recurring expenses and reimbursements which at the most approximate \$26,000 per year.

RECOMMENDATIONS

- 15. The Logistics Services Division continue to budget and provide funds for special char service to the Medical Staff.
- 16. The Logistics Services Division be authorized two additional laborers, GS-04, capable of satisfying the degree of security clearance required for the Office of Special Activities and Signal Center areas, and whose principal duties would be to perform the special char service required.

Attachment:
As stated

APPROVED:

Date

L. K. WHITE
Deputy Director
for Support

Distribution:
Orig OL/ISD
2 - DD/S
1 - OL Files (Official)

OL/ISD

18 Feb 64)

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